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# Iran's Ambitions Fed U.S. Strategists, Weaponers

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For almost all its history, Chah Bahar has been nothing more than a remote fishing village on the desolate Indian Ocean coast of Iran between Pakistan and the entrance to the Persian Gulf.

But in 1974, the shah of Iran chose this barren locale for one of the most ambitious projects of his entire reign: transformation of Chah Bahar into a huge, \$8 billion "blue water" port with the mission of projecting Iranian military power into the Indian Ocean.

Hidden away in the plans, and adding at least \$100 million to the costs, were provisions having far-reaching strategic importance for the United States. As envisioned in the early design, Chah Bahar was to have a harbor and drydock facilities specifically tailored to an American aircraft carrier task force.

*This is the second in a series of articles on the deposed shah, his finances and factors that led to his fall.*

The Chah Bahar plan was conceived at a time when Congress, still gunshy from the war in Vietnam, was resisting attempts by the U.S. Navy to expand its presence in the Indian Ocean. No American carriers operated

in that area when the shah issued his orders for a giant base. And the Iranian Navy had no such ships and no known plans to obtain any.

A former Pentagon official insists that the U.S. government never sought directly to get Iran to build it an Indian Ocean carrier base. The shah, he insists, acted on his own.

However, he and other top former officials of the Nixon and Ford administrations acknowledge that the shah's plan served U.S. strategic objectives and was aggressively pushed by interests in the American Navy.

In this respect, Chah Bahar is a costly and melancholy symbol of a U.S. policy that repeatedly used Iran to adopt and finance vast programs

that the American military could not undertake on its own.

Today, after an expenditure of an estimated \$350 million by Iran, plans for Chah Bahar have been cancelled by the revolutionary Khomeini government. Huge construction cranes, delivered only weeks before the shah's downfall last year are rusting in the sea air. Brown & Root, the Houston-based international construction firm that was to build the port with the help of more than 1,000 foreign companies, says the cranes were never used.

In its heyday, Chah Bahar was but one part of the shah's grandiose

scheme to create a mighty arsenal of bases and sophisticated weaponry—one that even Pentagon officials now say went far beyond Iran's legitimate needs, but was important to the broader U.S. strategic role in the area.

These plans also coincided with U.S. defense contractors' quest for new markets as the war in Vietnam began to wind down.

To meet the expanded role he had assumed, the shah placed military orders of \$13.4 billion with U.S. companies between 1973 and 1979, compared with less than \$1 billion in the previous six years. This unprecedented arms buildup was to be financed through oil revenues, which skyrocketed thanks to world price increases promoted by the shah.

Thus, in reality, it was American consumers of oil and gasoline who indirectly paid for Iran's arms.

Iran also paid a price, according to the present revolutionary government. It has branded this spending on planes, ships, missiles, radars, computers and bases a "criminal" squandering of Iran's resources.

The billions spent on arms is bound to be an issue if the Tehran government succeeds in convening a tribunal to examine the alleged crimes of the shah's government.

In the shah's military design, which Americans helped promote, Iran's mountaintops were to become platforms for the most advanced American air defense radars that money could buy.

Iranian pilots would fly the latest U.S. aircraft—the F14s and F16s, with technologies so advanced that even the U.S. military has had difficulties.

The Spruance class destroyers that Litton Industries was building for the Chah Bahar base were to have an air defense system more automated than the one approved for the Spruance versions used by the U.S. Navy.

An exotic intelligence collection system being put together with CIA direction would—if it worked—permit the Iranians to intercept communications outside their borders and to obtain pictures from airborne cameras more sophisticated than those used by American aircraft.

Illuminating the futuristic nature of this military vision, the projects were identified by names that might have been borrowed from spy author Ian

Fleming: Peace Crown, Peace Scepter, Seek Sentry, Seek Switch, Ibox.

Pentagon consultants and U.S. officials say that some of the shah's programs were justified. Iran's location at a strategic crossroads beset with military dangers is underscored by the recent Soviet invasion of Afghanistan.

But U.S. critics of that 1970s policy, including many who were directly involved in the buildup, assert that "reckless" sales promotion by U.S. military suppliers created pressures that contributed to the shah's downfall and actually undermined American security interests.

A few add that this process contains a warning for American policy toward other "Third World" countries vital to the United States.

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